



S.B. 299

165 Capitol Avenue Hartford, CT 06106-1658

An Act Concerning a Parent's Obligation to Make Reimbursement to the Department of Children and Families

Select Committee on Children March 2, 2010

As the agency responsible for the collection of debts owed to the state, the Department of Administrative Services (DAS) respectfully **opposes Senate Bill 299** both because the its stated purpose has already been achieved, and because of the bill's unintended consequences.

Under state law, when individuals receive care or aid from state – such as cash and other public assistance and services from state humane institutions – either the individual or their legally-liable relative(s) are responsible to reimburse the state for the cost of that care or aid if they are able. In general, most recipients are not billed for state care and aid because they are not able to pay when the services are provided. Therefore, the state (DAS) is required to recover the costs of these services if and when the individual or a legally-liable relative recovers a windfall (i.e. the lottery, an inheritance, a settlement or legal award) or leaves an estate with some assets.

Children who receive care from the Department of Children & Families (DCF) are <u>not</u> legally responsible to reimburse the state for the cost of that care. However, the parents of those children in DCF care are currently liable. Senate Bill 299 would remove liability from these parents if the parents' income is "at least 300% below the federal poverty level." It appears that this phrase may be an error; DAS assumes that the bill is intended to refer to parents whose income is below 300% of the federal poverty level.

Parents Earning Less Than 300% Of The Federal Poverty Level Are Already Relieved From Liability

The stated purpose of the bill is to relieve parents who earn less than 300% of the federal poverty level from the responsibility to reimburse the state. As a practical matter, this legislation is not necessary because DAS does not seek reimbursement from families whose income is below this level. Pursuant to the methodology set forth in DAS regulations, DAS determines the ability of a legally-liable relative to pay by comparing that individual's net taxable income with the estimated median income for the State of Connecticut, as published yearly in the Federal Register. Only individuals whose net taxable income exceeds the state's estimated median income for his or her family size will be billed by the state for reimbursement.